

# **20th District** **2004 Session Review**

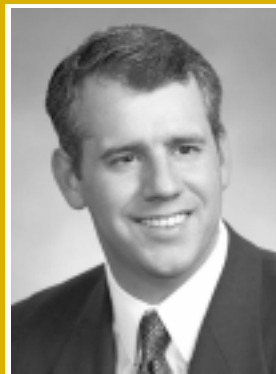


May 2004



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Dear Friends and Neighbors,

The last several years have been challenging for our state's economy and the families in our communities. The effort to diversify and strengthen our economic climate is a challenging one, but we believe we are on a path that will lead to new job opportunities for citizens.

A healthy economy not only brings prosperity to families, it supports the efforts of our communities and our state to create good schools, provide access to health care, maintain parks, and protect our environment. We've made significant progress toward improving our economy and our quality of life.

Part of lifting our state out of economic distress means making sure government is doing its part. That means protecting taxpayers and preserving core services for those who truly need government assistance by maintaining a fiscally responsible and sustainable budget. This is an ongoing challenge, but one that has been largely successful over the past year.

This session review offers a brief summary of the issues we addressed during the 2004 session. There were successes, disappointment and some unfinished business important to the citizens of our district and our state. We hope you'll take the time to learn more about the issues affecting our communities. And as always, we welcome your comments and questions.

It's a privilege to serve you in Olympia.

Sincerely,

Gary Alexander  
State Representative

Richard DeBolt  
State Representative

## **We'd like to hear from you!**

As your state representatives, we look forward to answering questions you have, providing information you may be looking for, or helping you in your dealings with state government.

We hope you'll take the time to contact us when we can be of assistance.

For more information about the issues we are working on in Olympia, visit our websites at <http://hrc.leg.wa.gov/members/alexander.htm> and <http://hrc.leg.wa.gov/members/debolt.htm>

# Rep. Richard DeBolt • Rep. Gary Alexander

## Job creation sets the tone for 2004

With a strong emphasis on improving our economy and bringing jobs to Washington, lawmakers embarked on a relatively big agenda during a short 60-day legislative session. We made progress in our ongoing effort to make Washington a better place to do business. Still more needs to be done. We were unable to reach consensus on some of the key reforms that are needed to help our state participate in a quick economic recovery.

Following is a summary of the successes and shortcomings of the 2004 session.

## THE GOOD

### ■ Tax incentives for job creation – HB 2546, SB 6240

In 1994, the Legislature enacted a set of tax credits and deferrals for employers that locate in rural, distressed areas as well as those that provide high-tech, high-wage jobs that will drive our economy in the future. Some 560 companies are using these tax incentives, and business leaders believe them important for our state to be competitive in this sector.

These tax incentives were scheduled to expire this year, eliminating a key incentive for job creation at a time when our state needs it most. The Legislature extended these tax incentives so that we can continue to diversify and strengthen our job pool, especially in rural communities.

### ■ Charter schools – HB 2295

After years of effort, the Legislature authorized 45 charter schools to be created statewide, either through the establishment of new schools or the conversion of existing public schools.

Charter schools are independent public schools that are exempt from many rules and regulations traditional schools adhere to, but are held to the same standards of achievement and accountability. It also taps into the desire of parents and local educators to provide choice and achieve excellence by using proven, innovative models to meet the educational needs of students in their communities.

The cornerstone of this legislation is local control. Authority and oversight of charter schools will continue to rest with the locally elected school board, and the decision to enroll a student in a charter school rests solely with the parent or guardian.

### ■ Tougher laws against child molesters – HB 2400

The most gratifying surprise of the session was adoption of the Child Protection Act of 2004 (HB 2400). The measure toughens the law against child molesters and provides major revisions to the state's Special Sex Offender Sentencing Alternative law (SSOSA), which in the past has allowed offenders to serve only six months in jail followed by state-supervised treatment while being released back in the community. This program of returning sex offenders to the streets has haunted victims and their families.

Under HB 2400, offenders will be ineligible for SSOSA if they have an adult conviction for a violent offense in the last five years, cause substantial bodily harm to the victim or do not have an established relationship with the victim before the crime.

In addition, the bill provides that the court must impose confinement up to one year. The court may impose a longer sentence if there is an aggravating factor. The measure also gives victims the opportunity to be heard regarding the offender's supervision and treatment.

# 2004 Session Review

## UNFINISHED BUSINESS

### ■ Supplemental operating budget – HB 2459

Last year, at the onset of the 2003-05 biennium, lawmakers were faced with the task of closing a shortfall of approximately \$2.7 billion. As part of our commitment to help our economy recover, House Republicans fought to craft a responsible long-term solution to the state's budget challenges that would not burden families and employers with new general fund tax increases. We fought for, and successfully adopted a balanced budget that did not raise general fund taxes, yet protected core services for those who truly need government assistance.

In 2004 the challenge before us was to make adjustments to the two-year budget by adopting a supplemental budget to cover higher costs in areas such as education, public safety and health care, without abandoning the responsible budget principles in the original budget.

Budget negotiators struck a compromise that attempts to balance our desire to maintain a responsible budget that will protect taxpayers against the pressure to spend more on programs that help citizens. In the end, we passed a budget that spends more than many of us prefer, but at least we spent the money on people and programs that are core services, such as health care for low-income children and assistance for the developmentally disabled.



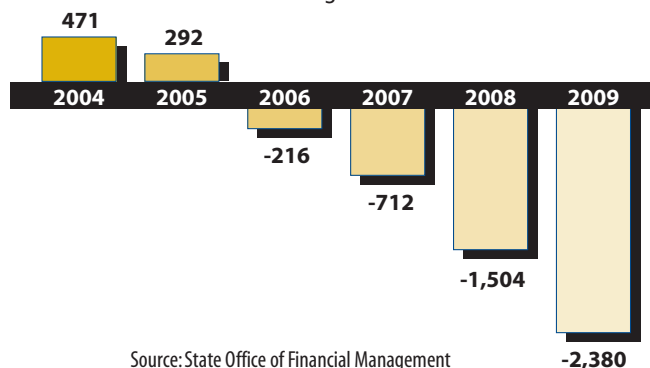
***Rep. DeBolt, as House Republican Leader, shakes hands with Speaker of the House Frank Chopp at the conclusion of the 2004 session. Lawmakers finished the 60-day session on schedule.***

## 2004 BUDGET OVERVIEW

- Increases general fund spending for 2003-05 by \$165 million bringing the new budget total \$23.25 billion.
- Leaves reserves of \$278 million – about 1.2 percent of total revenues.
- Makes an investment of \$5.4 million in public schools, including funding for charter schools, improvements to the WASL and levy equalization for property-poor school districts.
- Provides salary increases and benefits for home health care workers.
- Includes \$113.3 million in new funding to protect health care and other human services for the state's most vulnerable citizens.
- The budget leaves the state with a projected \$1 billion budget shortfall in 2005-07.

### Projected annual surplus or deficit

State general fund - in millions of dollars



Source: State Office of Financial Management

# Rep. Richard DeBolt • Rep. Gary Alexander

## ■ Small-group insurance reform – HB 2460, HB 3104

Seventy-six percent of Washingtonians work for small business. Many of them can't get health care coverage because it's too expensive for their employers. Washington's uninsured has risen to nearly 17 percent, up from 11 percent a decade ago. One of the reasons for this increase is there are too many government rules that tell health insurers what they must put in their health plans.

We supported **HB 3104**, which would have provided the flexibility needed to help small employers provide their workers with affordable health insurance. Unfortunately, the meaningful changes that were needed lost out to an eleventh-hour proposal (**HB 2460**) that made only small improvements to the small-group health care market.

## THE DISAPPOINTING

## ■ Liability/tort reform – HB 3030

Civil litigation abuse and exposure to liability dramatically affect the on-going costs and risks for health care providers and employers doing business in Washington. The tort system has become lottery-style civil justice. Due to large jury awards and settlements, insurance premiums are skyrocketing, harming consumers and citizens. The rising liability prevents access to affordable health care, increases the cost of housing and hurts our economy.

To help create jobs, build trust in government and put "justice" back into our civil justice system, House Republicans sponsored **HB 3030**, which would have reformed the tort system to make it more fair, predictable and timely.

In response, House Democrats proposed many incremental changes that fell far short of the bold reforms needed to get us out of this crisis.

The result, unfortunately, was that little was approved this session that will help stop rising liability costs that are forcing doctors out of practice, strangling employers and devastating local governments' budgets.

## ■ Medical malpractice reform – HB 2991

Seventy percent of Americans agree frivolous lawsuits drive up medical costs. The price of insurance that doctors and hospitals need to protect them from multi-million dollar lawsuits has risen dramatically and is forcing doctors to close practices and leave their patients. It is particularly critical for Washington's rural communities.

The solution proposed this session by House Republicans to this problem was to enact provisions based on the overwhelmingly successful California reform model. **House Bill 2991** would have enacted broad medical liability reforms, including a cap on non economic (pain and suffering) damages and allowing binding arbitration of disputes. California enacted similar reforms in the '70s with much success.

Unfortunately, our proposal never received a public hearing and died in committee.



# 2004 Session Review

## ■ Making meth manufacturing a strike – HB 1423

Methamphetamine is toxic, highly addictive and very destructive to those who use it. Meth labs have soared in Washington in the past seven years. Even worse, children often live in these labs. This session, House Republicans proposed HB 1423, which would have helped crack down on this crime by making meth manufacturing a “strike” under the “Three Strikes, You’re Out” law. **HB 1423** never received a public hearing and died in committee.



***Rep. Alexander is one of the lead Republican negotiators on both the capital and operating budgets.***

## ■ Regulatory reform – HB 2378, HB 2380

Last year several regulatory reforms were adopted. The most notable was **HB 2380**, requiring the governor’s signature on significant new rules and regulations proposed by his administration. This bill was vetoed by the governor, and a vote to override the veto was never allowed. This year, this proposal was again approved by the House, but never made it out of the Senate Rules Committee.

House Republicans also proposed additional reforms (**HB 2378**) to improve public trust in the regulatory system, but the legislation was rejected by Democrat leaders. The proposal included:

- ✓ Limiting rule-making to only when there is a specific grant of legislative authority;
- ✓ Placing the burden of proof on the agency during rule review;
- ✓ Delaying significant legislative rules until the passage of a legislative session.

This regulatory reform proposal died in committee.

## ■ A new primary system in Washington

Chances are good that you will notice a difference in the way we vote in our state’s September primary. Washington’s popular blanket primary was declared unconstitutional, requiring that the state implement a new system or risk having no primary election in which voters can participate.

Lawmakers approved legislation (**Senate Bill 6453**) to implement a new primary that would meet the test of the courts for constitutionality while still protecting some of the elements of our long-cherished blanket primary that voters liked:

- 1) Allowing voters to have choice in their voting selections, and
- 2) Protecting their independence and privacy.

The new primary will likely resemble one of the following systems:

**MONTANA STYLE PRIMARY** – This system would require a voter to select a ballot for a given party and would limit the voter’s selection to that party’s candidates.

(continued on back page)



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(Primary election bill, continued)

While somewhat limiting the voters' choice, the Montana system has the advantage of maintaining voter privacy. No party registration is required and no record of the voter's ballot selection is kept.

**TOP TWO PRIMARY** – The top-two primary would allow a voter to cast a vote for one candidate in each race, regardless of party – very similar to the blanket primary system. The difference is that the top two vote getters in each primary race would move on to the general election, regardless of party.

While the system protects the voters' choice in the primary, it may limit their choice of candidates in the November general election, since the top two vote getters may both be from the same party. In other words, it may result in a general election race of two Democrats or two Republicans, rather than one from each party. It also leaves third party candidates with little or no chance of having a candidate on the November ballot.

The governor vetoed provisions of SB 6453 that would have implemented the top-two primary system this year. With the top-two system struck from the bill, it defaults to the Montana plan. There are different political organizations and civic groups that have expressed an interest in what the new primary system should be. This issue will be most likely settled in court or by citizen initiative.

## 2004 Session Review

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